

Senator Tracey J. Eide

2003 SESSION UPDATE

30th Legislative District



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Dear Neighbor:

Your Legislature faced some very difficult tasks this year. Chief among them was bridging the state's \$2.6 billion deficit—the biggest shortfall in state history. This made for tough and unpopular choices, but we were able to fill the gap without raising taxes.

We also needed to solve the state's transportation crisis and improve Washington's business climate, which included efforts to convince The Boeing Co. to build its new 7E7 jetliner here.

Education remained at the top of my list—it's what brought me to Olympia and it's what keeps me coming back. While I am pleased to report that early proposals to drastically reduce education funding were fended off, I was still disappointed by K-12 reductions in the final budget.

Inside you'll find a more in-depth look at these issues, as well as information about transportation and capital budget projects approved for the 30th District.

Thank you to everyone who called or wrote to me throughout the session. Your thoughts and concerns are truly appreciated. It is a continuing honor and pleasure to serve as your state senator. Please keep in touch throughout the year.

Sincerely,

Tracey J. Eide
State Senator
30th Legislative District

Education bears brunt of budget cuts

As a member of the Senate Education Committee—and as a former PTA mom with two children in our public schools—I was very frustrated with the level of cuts to K-12 education this session. Although we faced an unprecedented budget shortfall of \$2.6 billion and managed to bridge this gap without raising general taxes, I believe our budget placed an unfair burden on teachers and students. And the will of the voters was overturned in the process.

Initiative 728, approved by 72 percent of the voters

in 2000, directed the state to provide more money for smaller classes and extended learning programs in our schools. But the final budget provides only about half of the amount called for in the initiative. Cuts to the Better Schools program, which also provides funds for smaller classes, means a double hit on school districts that value small learning environments and extra help with schoolwork.

Teachers will also feel the pain of this budget. Most won't get cost-of-living adjustments mandated by Initiative 732, also approved in 2000 by 63 percent of the voters.

Voters and business have both spoken loud and clear that we need to invest more in public education. By not funding these initiatives, we're shortchanging Washington's children and future prosperity.

Breaking Washington's transportation logjam

I'm proud to report that the Legislature approved a plan this session—after trying for three long, difficult years—to make needed and long-overdue investments in our state's transportation system.

The landmark 10-year, \$4.2 billion investment plan includes a list of projects and a revenue package to pay for them. Projects will improve safety and congestion on our state's highways, increase freight mobility, preserve ferries and terminals, and create construction jobs that have already begun. Revenue will come from a one-time, 5-cent gas-tax increase, a 15 percent increase in weight fees for commercial

trucks and a 0.3 percent sales tax on motor vehicles. All three took effect July 1.

I know that voters want their tax dollars to be spent wisely. That's why I'm pleased that the Legislature also passed several measures to make the state Department of Transportation more accountable and efficient, including streamlining the environmental permitting process for road work. This will help get projects up and running faster, and get traffic moving again. Reducing congestion will help make Washington a better place to live, work and do business.

Transportation projects in the 30th Legislative District

The transportation budget will pay for the following projects in and around the 30th District:

- ✓ **State Route 161** — \$64 million to widen the highway in several sections, including Jovita Avenue to South 360th Street. Currently two lanes wide, the highway will expand to five lanes with two in each direction and a center turn lane, including foot/bike lanes and sidewalks;
- ✓ **Interstate 5** — \$55 million to extend HOV/car pool lanes from 320th Street to the Pierce County line;
- ✓ **SR 167** — \$40 million to extend HOV/car pool lanes south through Auburn to 15th Street Southwest and \$64 million on a variety of projects that will relieve congestion and help connect SR 167 to I-5;
- ✓ **SR 509** — \$35 million to design and purchase rights of way along the route of the new SR 509 connection to I-5, and to continue design work on the project;
- ✓ **SR 99/Pacific Highway** — \$13 million to add HOV/car pool lanes, transit and pedestrian safety improvements from South 272nd to South 284th streets. The project will widen the highway to seven lanes from five; and
- ✓ **Interstate 5/SR 161/SR 18 "triangle"** — \$3 million to relieve congestion at the confluence of these three major highways. This phase will complete environmental reviews for the multi-year project.

Investing in our future: Improving Washington's business climate

Business competitiveness has long been a topic of debate in Olympia. This issue took on new urgency this year with Washington's bid for the production site of Boeing's new 7E7 jetliner.

In an effort to encourage Boeing to build the 7E7 here and help improve our state's business climate, I supported a "package" of legislation including:

Unemployment insurance reform

Washington's unemployment insurance (UI) system is among the nation's most expensive and generous. We provide benefits in higher amounts and for longer periods than almost any other state.

Unfortunately, during economic downturns, the UI system is hard on businesses that support the system with their taxes. This makes the state less competitive and less attractive to growing businesses. And some businesses contribute more to the system than their workers take out, effectively "subsidizing" other employers that pay less than their employees receive.

I strongly felt that reform of the UI system was necessary to boost our economy, help carry us out of this recession and make the system more fair.

This year, the Legislature passed a bill that contains a new UI tax system. Some businesses that paid too little into the system will see an increase of about 20 percent in their taxes. Other businesses will see their taxes go down to more closely reflect the benefits that their employees receive. All in all, the tax system should be more fair to businesses than our current one.

I also recognize that this bill will reduce UI benefits for some of Washington's workers. This made my vote a particularly difficult one. In fact, I supported several amendments to the bill that would have lessened the hardships that the bill creates. Unfortunately, these amendments did not pass. Still, I am optimistic that the economic growth the UI bill makes possible will help offset the hardships caused by any reduction in benefits.

Workers' compensation

A change to the state's workers' compensation system will set up a two-year limit on filing hearing loss claims. This will help reduce costs for businesses that must pay in to the workers' compensation system and is expected to save the fund \$200 million in reserves and \$14 million per year in future claims.

Transportation

Transportation is one of the most important factors that businesses consider when choosing location. Addressing the concerns of businesses that want to operate in this state, the Legislature approved a plan to make significant improvements in our transportation system. (See previous page for more information about the transportation plan.)

Tax relief

Given our budget shortfall, I opposed most tax breaks this session. But I supported targeted tax relief for The Boeing Co. because I think it is a sensible investment in our state's long-term economic vitality.

Aerospace is Washington's most dominant industry. It accounts for 200,000 jobs, direct and indirect, and \$700 million per year in state tax revenue. At stake is not only the 7E7 final assembly, but other Boeing product lines as well.

Producing the 7E7 here in our state could create as many as 150,000 jobs, including suppliers and other businesses, and as much as \$540 million in taxes every year—revenue that helps support vital government programs and services. Tax breaks would not be granted if Boeing chooses to build the 7E7 elsewhere.

Offering reasonable incentives to keep Boeing in Washington is just one part of our commitment to competitiveness that will help attract other businesses to our state.

MANY THANKS TO OUR 2003 LEGISLATIVE PAGES



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Capital budget boosts outdoor recreation, youth activities in the 30th Legislative District

Although this was a difficult year for the state's operating budget, the capital budget fared better. Because interest rates are low, now is a good time to make the most of bond-financed capital projects. It's also an opportunity to create construction-related jobs and help improve our state's economy.

The 30th District will benefit from the following capital budget projects:

- **West Hylebos Wetlands State Park**—\$250,000 to repair and maintain a boardwalk nature trail that winds through this 68-acre day-use park at the head of Hylebos Creek. The park's wetlands are home to 62 varieties of plants and more than 110 species of birds.
- **West Hylebos Wetlands State Park/Federal Way Historical Cabin Park**—\$106,000 to build an environ-

mentally friendly parking lot and more visible entryway to these popular recreational areas. Fifty-five trees and 200 shrubs will be planted as part of the project to install 15 parking spaces.

- **Federal Way Boys & Girls Club**—\$100,000 for a youth development center. Boys & Girls clubs provide activities for young people that focus on character; leadership; education and career development; health and life skills; arts; and sports and recreation.
- **Interurban Trail**—\$31,500 to improve public access to the trail. The funds will help purchase 1.8 acres for a trail head at Enchanted Village Parkway and Meridian in Milton. When complete, the trail will link 36 miles of non-motorized sightseeing and outdoor recreation that extends from Tacoma to Seattle.

“Eide Gram”

Please Stay in Touch

Your comments and concerns are always appreciated. Please take a moment to tell me what's on your mind.
Dear Tracey,

Name, address, phone number and e-mail (optional)

Please detach, place in envelope and mail to my return address.



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30th Legislative District

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